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Voluntary - Public

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Post: Monterrey ATO

Trade Disruption at Laredo Border Crossing Due to Floods

Report Categories:

Agricultural Situation

Agriculture in the News

Livestock and Products

Grain and Feed

Approved By:

Richard Battaglia

Prepared By:

Luis Chavez

Report Highlights:

Trade from Laredo, Texas, to the Nuevo Laredo and Colombia border entry points continues to be affected by flooding on the main highway between Nuevo Laredo and Monterrey. The highway was closed on July 9, 2010, and may not reopen for another day or two. Consequently, product destined for export to Mexico is being held in Laredo, Texas, until the highway is opened.

General Information:

Trade from Laredo to Nuevo Laredo and Colombia border entry points continues to be affected following the impact of Hurricane Alex. Although all of the border-crossing bridges for commercial operations are open, the main highway from Nuevo Laredo to Monterrey has been closed since July 9, 2010, due to flooding. As of July 13, 2010, reports indicate that the highway may not reopen for another 1-2 days.



Mexican Highway 85D, between Monterrey and Nuevo Laredo.

This is creating a bottleneck because trucks cannot arrive to or depart from Nuevo Laredo. Consequently, product awaiting export to Mexico is being held at freight forwarders' facilities in Laredo, Texas, until the highway opens. Further aggravating the situation is the lack of empty Mexican trailers to transport U.S. exports across the border (Mexican trucks are unable to return to Nuevo Laredo after transporting goods to Monterrey or other parts of Mexico). Mexico's veterinary and phytosanitary authority, SENASICA, has continued inspection operations in Nuevo Laredo and Colombia although there are fewer products to inspect.



Flooding at Mexican Customs checkpoint.

Rail trade has also been affected by the flooding. Kansas City Southern de Mexico (KCSM) issued a <u>press release</u> on July 8, explaining that Hurricane Alex caused significant track damage around the Monterrey and Saltillo areas as well as on the lines to Laredo and Matamoros. Consequently, KCSM issued <u>freight embargos</u> at the U.S.-Mexico border and in Monterrey while the damage is repaired. Ferrocarril Mexicano (FERROMEX) <u>reported</u> some disruptions in their service from Piedras Negras but reports indicate that service has been <u>restored</u>.